

EXHIBIT “K”

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<p style="text-align: center;">IN THE FEDERAL COURT OF THE NORTHERN DISTRICT OF ALABAMA</p> <p>CIVIL ACTION NUMBER 2:06CV 377-WKW</p> <p>PIONEER SERVICES, INC , Plaintiff, vs AUTO OWNERS INSURANCE COMPANY, Defendant</p> <p style="text-align: center;">VIDEOTAPE DEPOSITION TESTIMONY OF: HAROLD YOUNG</p> <p>January 5, 2006 1 p m</p> <p>COURT REPORTER: APRIL R. BENDINGER, CSR</p>	<p>1 offered in evidence, or prior thereto</p> <p>2 In accordance with Rule 5(d) of</p> <p>3 the Alabama Rules of Civil Procedure, as</p> <p>4 amended, effective May 15, 1988, I, April R</p> <p>5 Bendinger, am hereby delivering to MR HARRY</p> <p>6 HALL the original transcript of the oral</p> <p>7 testimony taken January 5, 2006, along with</p> <p>8 exhibits</p> <p>9 Please be advised that this is the</p> <p>10 same and not retained by the Court Reporter, nor</p> <p>11 filed with the Court</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p>
Page 2	Page 4
<p>1 STIPULATION</p> <p>2 IT IS STIPULATED AND AGREED by and</p> <p>3 between the parties through their respective</p> <p>4 counsel that the videotape deposition of HAROLD</p> <p>5 YOUNG may be taken before April R Bendinger,</p> <p>6 Notary Public, State at Large, at the Offices of</p> <p>7 South Central Agency in Andalusia, Alabama on</p> <p>8 January 5, 2006, commencing at approximately</p> <p>9 1 p m</p> <p>10 II IS FURTHER STIPULATED AND</p> <p>11 AGREED that the signature to and the reading of</p> <p>12 the deposition by the witness is waived, the</p> <p>13 deposition to have the same force and effect as</p> <p>14 if full compliance had been had with all laws</p> <p>15 and rules of Court relating to the taking of</p> <p>16 depositions.</p> <p>17 IT IS FURTHER STIPULATED AND</p> <p>18 AGREED that it shall not be necessary for any</p> <p>19 objections to be made by counsel to any</p> <p>20 questions, except as to form or leading</p> <p>21 questions and that counsel for the parties may</p> <p>22 make objections and assign grounds at the time</p> <p>23 of trial or at the time said depositions is</p>	<p>1 INDEX</p> <p>2 EXAMINATION BY: PAGE NO</p> <p>3 Mr. Hall 6</p> <p>4 Mr. Pearson 121</p> <p>5 Certificate 131</p> <p>6</p> <p>7</p> <p>8 INDEX OF EXHIBITS</p> <p>9 PX-8 (Cover page) 76</p> <p>10 PX-9 (Handwritten document) 118</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p>

1 (Pages 1 to 4)

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1 didn't come by every Tuesday
 2 Q Okay He got busy --
 3 A He was out adjusting claims But
 4 usually under normal circumstances he comes once
 5 a week
 6 Q How long after Ivan did he resume
 7 his weekly stops?
 8 A It was a while after Ivan when
 9 before he started back weekly. There were
 10 hundreds of claims, and he was out adjusting
 11 claims along with other adjusters for several
 12 months
 13 Q How many claims were filed on
 14 behalf of your customers after Ivan?
 15 A With all companies?
 16 Q Yeah
 17 A This is a guess, I guess,
 18 somewhere between 3 and 400 claims
 19 Q All right How many of those --
 20 Ivan hit in the September of 2004, September
 21 16th, I believe?
 22 A Correct
 23 Q How many claims were still open as

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1 of January of 2005?
 2 A I have no idea
 3 Q Did you have customers calling
 4 complaining about claims not getting settled?
 5 A We had several customers calling
 6 about claims not getting settled.
 7 Q Okay
 8 A A lot of people had a lot of
 9 damage and a lot of people was wanting their
 10 money right away, and there's only a certain
 11 number of roofers in this county and certain
 12 number of carpenters in this county, everybody
 13 was wanting an estimate now, and you just can do
 14 so much We provided the best service we could
 15 based on the catastrophic number of claims in
 16 this county. I think we did an above average
 17 job in getting all of them paid that were due.
 18 Q Do you recall any claims that hung
 19 around until 2005?
 20 A No, sir.
 21 Q You don't remember any?
 22 A From 2005?
 23 Q Yes, sir. From the Ivan storm?

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1 A I'm sure there was several that
 2 was still pending in 2005 Ivan hit September
 3 16 of '04, so that didn't leave you but three
 4 months before 2005, I'm sure there were several
 5 that were unpaid
 6 Q Several out of that 300?
 7 A Sir?
 8 Q Several out of that 300?
 9 MR PEARSON: Object to the form.
 10 A I have no idea how many
 11 Q Do you know how many Auto Owners
 12 claims were still open?
 13 A No, sir.
 14 Q Is there any way to find out?
 15 A I guess ask Auto Owners
 16 Q Do you have any experience with
 17 what is required in order to properly adjust a
 18 claim for property damage?
 19 A No, sir
 20 Q You wouldn't be in a position to
 21 testify about any of that, would you?
 22 A No, sir I'm not an adjuster
 23 Q Have you ever assisted a customer

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1 by forwarding documents to support their claim
 2 on to one of your insurance companies that you
 3 write policies for?
 4 A Yes, sir
 5 Q What do you do there?
 6 A After the property loss notice is
 7 filed, people come in with estimates Auto
 8 Owners do an exceptional job of producing an
 9 advanced preprinted claims notice --
 10 Q I will ask you to stop right
 11 there I'm about to run out of tape
 12
 13 2:36 p m
 14 (Off the record)
 15 2:40 p m
 16
 17 MR. HALL: Disk 2 of Harold Young's
 18 deposition on January 5, 2007.
 19
 20 Q (BY MR HALL) Mr Young, I
 21 interrupted you, and I apologize for that
 22 A No problem
 23 Q You were, I think, discussing what

18 (Pages 69 to 72)

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1 you would do with information on claims that
 2 people brought to you after the fact?
 3 A Yes, sir. After the property loss
 4 notice is sent in, people get estimates and
 5 bring those estimates by, and we usually fax
 6 those estimates in or get them to the adjuster
 7 that came by during that particular time
 8 Q And after faxing those in, would
 9 you have conversations or someone from South
 10 Central have a conversation with, say Auto
 11 Owners, about confirmation, you got it, is it
 12 okay, or enough?
 13 A We usually follow up on those
 14 claims that we send in. Auto Owners is a little
 15 different than most companies. They had a
 16 preprinted claims form of every customer that we
 17 had. And we didn't have to go in and do the
 18 property loss notice on our computer, it was
 19 already done. So we would attach the estimate
 20 to that notice and mail it or fax it or give it
 21 to whatever adjuster was here at the time to
 22 provide quicker and more efficient service.
 23 Q Would you hand-fill out the forms?

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1 A No, sir, they were already
 2 preprinted, and we would just attach the
 3 estimates to them and give them to the adjuster
 4 or mail them in.
 5 Q Would you look through the Exhibit
 6 2, and see if you find one for Pioneer for the
 7 hurricane. Exhibit 2 is the entire stack.
 8 A Okay. Right there.
 9 MR. ROBERTSON: Could we go off
 10 the record.
 11
 12 2:44 p m
 13 (Off the record)
 14 2:48 p m
 15
 16 MR. HALL: Back on the record
 17 after taking a short break. This is disk 2 of
 18 Harold Young's deposition.
 19 Q (BY MR. HALL) Mr. Young, you have
 20 pulled out of Plaintiff's Exhibit 2 a document
 21 that, I believe, is a catastrophe loss notice
 22 prepared by Auto Owners for Hurricane Ivan?
 23 A Yes, sir.

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1 Q Is that an example of the
 2 preprinted forms that were sent prior to the
 3 hurricane to cover every one of your insured
 4 that had insurance through Auto Owners?
 5 A Yes.
 6 Q Is this the one that was prepared
 7 by your staff concerning the Pioneer Telephone
 8 Services claim?
 9 A Yes.
 10 Q Is it a three-page document?
 11 A Two.
 12 Q Okay. What is the third page?
 13 A Third page is a certificate of
 14 liability insurance sent to Columbus Data
 15 Technologies.
 16 Q Has nothing to do with this?
 17 A No, sir.
 18 Q What about the cover page, what is
 19 that?
 20 A The cover page is a fax from Auto
 21 Owners where they received the catastrophic
 22 claims notice prepared by them where they have
 23 assigned a claim number to it.

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1 Q Let's mark that as 8
 2
 3 (WHEREUPON, a document was marked
 4 as Plaintiff's Exhibit Number 8 and is attached
 5 to the original transcript.)
 6
 7 A At that point in time this claim
 8 was assigned to Baker Claim Service in
 9 Andalusia.
 10 Q (BY MR. HALL) All right. I am
 11 taking this document out of Plaintiff's Exhibit
 12 2, and going to call this Plaintiff's Exhibit
 13 8. The cover page is the confirmation you
 14 received back from Auto Owners that they
 15 received the claim notice?
 16 A Well, it came back from Brentwood,
 17 Tennessee where they received it and it was
 18 assigned to that branch. We had so many claims
 19 at that time, they assigned a lot of these out
 20 to independent adjusters. This particular one
 21 was first assigned out to Baker Claim Service.
 22 Q Is that handwritten on that second
 23 page?

19 (Pages 73 to 76)